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BEFORE THE ARIZONA CORPORATION COMMISSION

MIKE GLEASON

Chairman

WILLIAM MUNDELL

Commissioner

JEFF HATCH-MILLER

Commissioner

KRISTIN MAYES

Commissioner

GARY PIERCE

Commissioner

Arizona Corporation Commission

DOCKETED

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AZ CORP COMMISSION
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IN THE MATTER OF THE APPLICATION
OF DIECA COMMUNICATIONS DBA
COVAD COMMUNICATIONS COMPANY,
ESCHELON TELECOM OF ARIZONA, INC.,
MCLEODUSA TELECOMMUNICATIONS
SERVICES, INC., MOUNTAIN
TELECOMMUNICATIONS, INC., XO
COMMUNICATIONS SERVICES, INC. AND
QWEST CORPORATION REQUEST FOR
COMMISSION PROCESS TO ADDRESS KEY
UNE ISSUES ARISING FROM TRIENNIAL
REVIEW REMAND ORDER, INCLUDING
APPROVAL OF QWEST WIRE CENTER
LISTS.

DOCKET NOS. T-03632A-06-0091
T-03406A-06-0091
T-03267A-06-0091
T-03432A-06-0091
T-04302A-06-0091
T-01051B-06-0091

JOINT MOTION FOR APPROVAL OF
SETTLEMENT AGREEMENT AND
NARRATIVE SUPPORTING
AGREEMENT

Covad Communications Company ("Covad"), Eschelon Telecom of Arizona, Inc. ("Eschelon"), McLeodUSA Telecommunications Services, Inc. ("McLeodUSA"), and XO Communications Services, Inc. ("XO") (collectively, the "Joint CLECs") and Qwest Corporation ("Qwest") (collectively, the "Parties") jointly file the signature pages to the Settlement Agreement ("Settlement") that was filed by Qwest and the Joint CLECs on June 14, 2007, and jointly request that the Arizona Corporation Commission ("Commission") approve the Settlement between Qwest and the Joint CLECs.

I. BACKGROUND

The Federal Communications Commission ("FCC") issued its Report and Order, *In the Matter of Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange*

1 *Carriers; Implementation of the Local Competition Provisions of the Telecommunications Act of*
2 *1996; Deployment of Wireline Services Offering Advanced Telecommunications Capability*, CC
3 Docket Nos. 01-338, 96-98 and 98-147 (effective October 2, 2003) ("*TRO*"); and, on February 4,
4 2005, the FCC released the *Review of the Section 251 Unbundling Obligations of Incumbent*
5 *Local Exchange Carriers, Order on Remand* (effective March 11, 2005) (*Triennial Review*
6 *Remand Order*) (FCC 04-290) ("*TRRO*").

7 On February 15, 2006, the Joint CLECs filed a request with the Commission asking that
8 the Commission develop and approve both a list of Non-Impaired Wire Centers and a process for
9 future updates of the wire center list for Qwest in Arizona. The Commission opened this docket
10 in response to the Joint CLECs' filings.¹ On February 28, 2006, Qwest responded to the Joint
11 CLEC's request and also petitioned for Commission investigations and expedited proceedings to
12 verify Qwest wire center data, address the nonrecurring conversion charge, establish a process
13 for future updates of the wire center list, address related issues, and bind all CLECs. The Joint
14 CLECs and Qwest have reached resolution of the disputed issues in this matter. The Parties have
15 embodied that resolution in the Settlement, and seek approval of the Settlement by the
16 Commission.²

17 **II. SUMMARY OF SETTLEMENT**

18 The Settlement which was filed on June 14, 2007, and for which the parties today have
19 filed signature pages,³ consists of seven sections and five attachments, as follows:

20
21 ¹ Some or all of the Joint CLECs were parties to similar Joint CLEC filings at the state utility
22 regulatory commissions in Colorado (Docket No. 06M-080T), Minnesota (Docket Nos. P-5692,
23 5340, 5643, 5323, 465, 6422/M-06-211), Oregon (UM 1251), and Utah (Docket No. 06-049-40).
The Washington Utilities and Transportation Commission (WUTC) investigated Qwest's initial
non-impairment list in an existing docket (number UT-053025) established to review the impacts
of the *TRRO* on local competition.

24 ² The Settlement provides for resolution of the same issues in each of the six state jurisdictions.
As the wire center lists are unique to each state, Attachment A to the Settlement Agreement
provides information by state.

25 ³ Qwest agreed to make this joint filing on behalf of and with the consent of all the parties to the
26 Settlement. As of the time the filing was due, Qwest had not yet received the signature page
from Covad. The filing will be supplemented when Covad's signature page is in hand.

1
2 **Settlement Section I: Introduction**

3 This section, consisting of six “whereas” clauses, describes the FCC’s *TRO* and *TRRO*
4 orders, the various petitions filed with various state commissions, the dockets that were opened
5 by various state commissions, and reflects that the Parties have now reached a multi-state
6 resolution of their disputes on the open issues.

7 **Settlement Section II: Definitions**

8 This section provides the applicable definitions of key terms used in the settlement
9 agreement, including the definitions of the various commissions and Parties.

10 **Settlement Section III: Initial Commission-Approved Wire Center List**

11 This section states the Parties’ agreement about which Qwest wire centers are the initial
12 non-impaired wire centers, and the associated tier levels and effective dates.

13 **Settlement Section IV: Non-Recurring Charge for Conversions Using the**
14 **Initial Wire Center List and for Future Commission-Approved**
15 **Additions to that List**

16 This section reflects the Parties’ agreement regarding the nonrecurring charge (“NRC”)
17 for conversions of unbundled network elements (“UNEs”) to alternative services or products,
18 including the agreed-upon NRC rate and length of term, as well as how credits for those CLECs
19 which have already paid a higher NRC rate will apply, and the status of the rate after three years.

20 **Settlement Section V: Methodology**

21 This section reflects the methodology that the Parties agreed to, for purposes of non-
22 impaired facilities, to determine non-impairment and/or tier designations, including how to count
23 “business lines” and “fiber-based collocators.”

24 **Settlement Section VI: Future Qwest Filings to Request Commission**
25 **Approval of Non-Impairment Designations and Additions to the**
26 **Commission-Approved Wire Center List**

27 This section summarizes the Parties’ agreement regarding how Qwest can request
28 Commission approval of non-impairment designations and additions to the Commission-

1 approved non-impaired wire center list in the future (i.e., future additions to the initial
2 Commission-approved list).

3 **Settlement Section VII: Other Provisions**

4 This section has a number of miscellaneous provisions based on the Parties' agreement
5 regarding various issues, including interconnection agreement ("ICA") provisions and
6 amendments, refunds related to Qwest identified non-impairment designations that are not
7 identified as non-impaired in Attachment A to the Settlement Agreement, credits to CLECs that
8 have been back-billed to March 11, 2005 for facilities with an effective non-impairment date of
9 July 8, 2005 (instead of March 11, 2005), as well as general provisions about settlement,
10 precedent and termination of the settlement agreement.

11 There are also five attachments, as follows:

12 **Attachment A:** List of Non-Impaired Wire Centers

13 **Attachment B:** Triennial Review Remand Order ("TRRO") Wire Center Amendment to
14 the Interconnection Agreement between Qwest Corporation and Covad, Integra,
POPP.Com, and XO

15 **Attachment C:** Triennial Review Remand Order ("TRRO") Wire Center Interconnection
16 Agreement language to be inserted into the proposed Interconnection Agreement
between Qwest Corporation and Eschelon

17 **Attachment D:** Triennial Review Remand Order ("TRRO") Wire Center Amendment to
18 the Interconnection Agreement between Qwest Corporation and McLeodUSA and
TDSM

19 **Attachment E:** Model Protective Order

20
21 **III. THE SETTLEMENT IS IN THE PUBLIC INTEREST**

22 The Parties believe that the Settlement is in the public interest. It resolves contested
23 issues without litigation, and avoids future disputes by setting forth an agreed process for future
24 wire center designations. The Parties agree that the Settlement Agreement resolves all disputed
25 issues between the Parties in the Docket and that if the Settlement Agreement is approved and
26 not terminated, there will be no open issues for the Commission to decide in this docket. Qwest

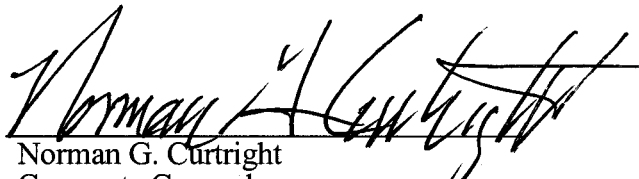
1 and the Joint CLECs will each offer a witness in favor of approval of the Settlement between
2 Qwest and the Joint CLECs if the Commission deems it necessary. However, the Parties
3 recommend that a hearing and witnesses are not necessary in the consideration of this
4 Settlement.

5 **CONCLUSION**

6 For all of the reasons set forth above, the Parties respectfully request the Commission to
7 approve the Settlement in its entirety.

8
9 RESPECTFULLY SUBMITTED this 22nd day of June, 2007.

10 QWEST CORPORATION

11
12 By: 
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16 ORIGINAL and 13 copies hand-delivered
17 for filing this 22nd day of June, 2007, to:

18 Docket Control
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21 COPY of the foregoing hand delivered
22 this 22nd day of June, 2007, to:

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26 Maureen A. Scott, Esq.

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Diane Hyman

**MULTI-STATE
SETTLEMENT AGREEMENT REGARDING
WIRE CENTER DESIGNATIONS AND RELATED ISSUES**

Dated this 20th day of June, 2007.

Qwest Corporation

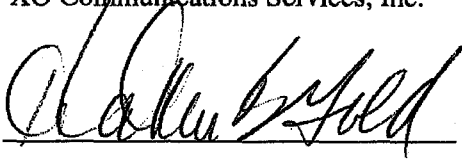
By: 

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**MULTI-STATE
SETTLEMENT AGREEMENT REGARDING
WIRE CENTER DESIGNATIONS AND RELATED ISSUES**

Dated this 14th day of June, 2007.

XO Communications Services, Inc.

A handwritten signature in cursive script, appearing to read "Heather B. Gold", is written over a horizontal line.

Heather B. Gold
SVP – External Affairs

**MULTI-STATE
SETTLEMENT AGREEMENT REGARDING
WIRE CENTER DESIGNATIONS AND RELATED ISSUES**

Dated this 13th day of June, 2007.

McLeodUSA Telecommunications Services, Inc.



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Eschelon

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